

## May 8, 2017

The City Council of the City of Idaho Falls met in Special Meeting (Council Work Session), Monday, May 8, 2017, in the Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 3:00 p.m.

### Call to Order and Roll Call:

There were present:

Mayor Rebecca L. Noah Casper  
Councilmember Barbara Ehardt  
Councilmember Ed Marohn  
Councilmember Thomas Hally  
Councilmember John B. Radford  
Councilmember David M. Smith  
Councilmember Michelle Ziel-Dingman

Also present:

Ryan Tew, Human Resources Director  
Chris Fredericksen, Public Works Director  
Jeff Moad, Parks and Recreation Maintenance Operator  
Eilene Horne, Human Resources Analyst  
Dana Briggs, Economic Development Coordinator  
Pamela Alexander, Municipal Services Director  
Bear Prairie, Idaho Falls Power Assistant General Manager  
Randy Fife, City Attorney  
Kerry Hammon, Public Information Officer  
Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 3:03 p.m. with the following agenda items:

### Calendar, Announcements and Reports:

May 9, Arbor Day planting project  
May 10, A Night at the Museum  
May 11, TRPTA (Targhee Regional Public Transportation Authority)/BMPO (Bonneville Metropolitan Planning Organization) Advisory Committee Meeting  
May 11, City Council Meeting  
May 13, Community College Citizens March  
May 15, Officer Memorial  
May 16, Election Day  
May 18, City Club  
May 18, ISO (Insurance Services Office) Press Conference, Fire Station No. 1 Conference Room  
May 22, City Council Work Session  
May 22, Mayor's bike ride at Community Park  
May 25, Idaho Falls Power Board Meeting  
May 25, City Council Meeting  
May 26-29, Field of Honor Flag Display at Freeman Park  
May 29, Memorial Day, City holiday

### Acceptance and/or Receipt of Minutes:

It was moved by Councilmember Marohn, seconded by Councilmember Hally, to accept all minutes included in the packet. Roll call as follows: Aye – Councilmembers Dingman, Radford, Marohn, Smith, Hally, Ehardt. Nay – none. Motion carried.

Mayor Casper stated the Blue Angels will be holding a welcome celebration on Wednesday, July 19 and a practice session on Friday, July 21. A Veterans event will be held prior to the July 21 practice session. Horse racing events

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will be occurring at Sandy Downs in the upcoming summer months. The July 4<sup>th</sup> parade will include several floats from the City with a City administration/leadership entry collecting donated items/goods. Secretary of Energy Rick Perry will be visiting DOE (Department of Energy) locations on May 9 and 10. Rose Hill Cemetery experienced recent vandalism including damage to several grave sites and property. The possibility of establishing a donation fund to assist with damage/costs was suggested. The first round of Police Chief interviews occurred May 8 with additional interviews scheduled for May 11. Hiring timeframe anticipated in July-August.

Councilmember Hally stated ICUA (Idaho Consumer Owned Utilities Association) will be held July 19-21. City Club forum on May 18 will include a presentation from the Oppenheimer Companies.

Councilmember Marohn stated the Fire Station No. 1 Grand Opening was well attended with approximately 700 people touring the facility.

Councilmember Radford expressed his appreciation to those downtown businesses who assisted with the Fire Station Grand Opening. He stated there are several new baby animals at the Zoo.

Councilmember Ehardt had no items to report.

Councilmember Smith stated he will be attending APPA (American Public Power Association) July 19-21.

Councilmember Dingman stated the Clean and Green City-wide Cleanup campaign began May 5. The City website has additional information for recycling and indoor/outdoor waste.

It was moved by Councilmember Dingman, seconded by Councilmember Ehardt, to modify the agenda to add discussion of proposed Idaho Falls Fraternal Order of Police (FOP) presentation at the next work session (May 22) with the good faith reason that the Council will not meet again before the next Work Session and the request was recently received. Mayor Casper stated the agenda setting authority resides with the Mayor, however any action can be requested by majority of the Council. She indicated it's unusual for an entity who would like to be on the agenda not to bring it to the attention of the administration. She believes the action to include this item on the agenda has only been addressed in the media and not presented to the City. She stated no communication has occurred between the FOP and the City administration. Councilmember Dingman believes there are several questions in general and she does not want to delay the officers. She stated the motion would include a presentation to the Council on the topic of potential of unionization. Mayor Casper proposed the discussion item be added to the end of agenda. Roll call as follows: Aye – Councilmembers Dingman, Radford, Marohn, Smith, Ehardt. Nay – Councilmember Hally. Motion carried. Mayor Casper stated all citizens have the right to communicate with the Councilmembers at any time and in a variety of ways, unless a quasi-judicial matter is involved or any constraints of a public hearing prohibit such comments. She believes there may be a misunderstanding that just because a public hearing is not being held that there is no forum for Council contact, which is not the case. Councilmember Marohn reiterated that public input is not always a public hearing. Mayor Casper stated with the recent rescission of the Civil Service System occurring over the course of three (3) separate readings she expected communication would have taken place between each of those meetings. Councilmember Dingman stated all Councilmember emails and phone numbers are public record and indicated the Council are available to meet and communicate with community members.

### Budget Workshop Part II: Employees Wages Discussion:

Director Tew reviewed inflation data regarding CPI (Consumer Price Index). He stated CPI is a means to measure inflation based on goods (food, housing, fuel, clothing) that most consumers utilize and purchase on a regular basis. He presented the following information with brief discussion throughout:

<u>Source</u>	<u>Inflation</u>	<u>Reference</u>
US Bureau of Labor Statistics	CPI Actual March/2016 to March/2017: 2.4%	<a href="https://www.bls.gov/regions/west/cpi-summary/consumerpriceindex_summary_western.pdf">https://www.bls.gov/regions/west/cpi-summary/consumerpriceindex_summary_western.pdf</a>
The Livingston Survey - Federal Reserve Bank of Philadelphia	CPI projected 2017: 2.4% CPI projected 2018: 2.5%	<a href="https://www.philadelphiafed.org/-/media/research-and-data/real-time-center/livingston-survey/2016/livdec16.pdf?la=en">https://www.philadelphiafed.org/-/media/research-and-data/real-time-center/livingston-survey/2016/livdec16.pdf?la=en</a>
Idaho Division of Financial Management Forecast	CPI Projected 2017: 2.4% CPI Projected 2018: 2.5%	<a href="https://dfm.idaho.gov/publications/eab/ief/ief_apr2017.pdf">https://dfm.idaho.gov/publications/eab/ief/ief_apr2017.pdf</a> <a href="https://dfm.idaho.gov/publications/eab/ief/ief_oct2016.pdf">https://dfm.idaho.gov/publications/eab/ief/ief_oct2016.pdf</a>

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2017 Federal Employee Pay Raise Issued by President Obama	2.1%	<a href="http://www.fedsmith.com/2016/12/28/president-issues-order-finalizing-2017-federal-employee-pay-raise/">http://www.fedsmith.com/2016/12/28/president-issues-order-finalizing-2017-federal-employee-pay-raise/</a>
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Director Tew stated he attempted to compare an average of other cities within the State but was unable to provide any data due to the variety of compensation structures. He indicated any inflation increase would begin October 1. He recommended a 2.5% inflation adjustment for City employees. Mayor Casper requested a working consensus from the Council to build the 2.5% adjustment into the budget worksheets. There were no objections. She noted the adjustment for the previous year was 1.75%. At the request of Councilmember Radford, Director Tew stated 1% = ~\$284,00, 2.5% = ~\$710,000. Director Tew indicated the following year the City will transition to a pay for performance format which is market-based.

Update on Pay for Performance:

Director Tew stated in December 2016, the process for pay for performance began with performance implementation anticipated for October 2017 with pay implementation anticipated for October 2018. He indicated the Performance Management Task Force has been meeting on a regular basis. He then introduced Director Fredericksen and Mr. Moad. Director Fredericksen stated the purpose of pay for performance is to foster ongoing communication and development, to improve employees performance, and, to reward employees for their outstanding contributions. He indicated the Task Force includes employees from the majority of City departments. Key concepts include performance planning, ongoing communication, feedback, and documentation. Director Fredericksen believes employees need reinforcement throughout the year for a better understanding. He indicated a draft of core expectations for every employee has been compiled as: observable, measureable, achievable, reasonable, and, understandable. The task force is currently reviewing job specific expectations and measurements for each classification within the City. Goal establishment will also be reviewed. Mr. Moad expressed his appreciation for the opportunity to participate on the task force. He stated the intent for pay for performance is to be a positive benefit for employees as well as the City. Director Fredericksen stated concerns regarding step and grade were expressed. Councilmember Hally indicated pay for performance is not just about wages but also direction for the employee. Councilmember Marohn believes deadlines must be met for this process to be successful. He also believes pay for performance will assist with career development. Director Tew commended the task force for their involvement. At the request of Mayor Casper, Mr. Moad reviewed core values as customer service, dependability, integrity and ethics, continuous improvement, safety, and, teamwork. He stated the task force is currently reviewing definitions of each core value.

Personnel Manual/Policy Update:

Ms. Horne stated the proposed changes in the personnel manual are in regard to employee status. She indicated previous confusion has occurred with the Affordable Care Act (ACA) and PERSI (Public Employee Retirement System of Idaho) requirements. The specific definitions will determine the option to offer or not to offer benefits.

Ms. Horne reviewed the following changes:

- Casual Employee, work less than 19.5 hours/week, unlimited length of service
- Full-time employee, revised to be more specific (definitions will automatically meet ACA requirements)
- Part-time employee, specifies number of hours worked, optional benefits would be prorated accordingly
- Seasonal Employee, weather-related, length of time and number of hours
- Temporary Employee, not weather-related, length of time and number of hours

After brief general discussion, Mayor Casper stated approval of this item will be included on the May 11 Council Meeting Consent Agenda.

Community Support Grants Discussion:

Mayor Casper believes in recognizing the role for Council in support of worthwhile community endeavors. She then turned the presentation to Ms. Briggs. Ms. Briggs stated she has performed research from other cities within the State with regard to grant process. She proposed the following recommendations and requested Council consensus for the current year:

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1-Set total community support grant budget cap, proposal = \$140,000. There has previously been no specific budget amount placeholder. Last year amount = \$178,999

2-Set maximum individual grant awards amount, proposal = \$40,000. There is a large discrepancy in previous awarded grants.

3-Form community panel that screens applications and then makes a recommendation to City Council, proposal = 1-2 community members (total of 10 members) from: Art Community, Educator/Teacher, Social Services Representative, Medical Community, Business Community, Construction/Development.

Councilmember Ehardt is in favor of a hybrid approach – set a cap amount and use of a community panel. As a response to Councilmember Marohn, Ms. Briggs stated the bi-annual funding report is currently in place and she will disseminate the reports to Council. Councilmember Marohn is in favor of a set cap amount. Mayor Casper reviewed previous years and believes it is important to set a cap which would be placed into the budget for planning purposes. Councilmember Radford would prefer a competitive bid process. Councilmember Smith prefers a cap for budgetary purposes and believes the funding should only be given if the applicant meets the mission of the City. Brief discussion followed regarding any special events, which would be presented as a separate operational line item in the budget. Councilmember Dingman believes Ms. Briggs recommendation is the best practice and she would prefer to use all three (3) proposals. Councilmember Marohn suggested the use of at-random citizens on a panel. Councilmember Ehardt prefers citizens who have not previously served on a committee to prevent a conflict of interest. After further brief discussion, it was consensus to have a total cap of \$130,000 with individual cap of \$35,000. Mayor Casper indicated this item would continue to require approval in the budget, allocating funds from the General Fund.

### 2018 Audit Planning Discussion:

Director Alexander stated the City has historically used two auditors, one for the electric power and one for government business. She stated in July 2016 a Request For Proposal (RFP) was issued for a comprehensive auditor, four (4) proposals were received. An evaluation panel, as well as auditing staff, recommended Moss Adams, taking into account their knowledge of the Cayenta software system. Director Alexander indicated at that time feedback was received from some Councilmembers regarding the lack of using a local auditing firm. She stated Moss Adams had not previously audited the government aspect and they began identifying issues which required additional testing. She reviewed the costs, stating costs are approximately \$20,000 over the estimate due to the additional testing and travel, which amounts to a 17% increase of total contract cost. Brief discussion followed regarding the preference to retain an auditor for more than one (1) year to maintain familiarity. There was consensus of the Council to retain Moss Adams. Mayor Casper expressed her appreciation to Director Alexander for her capable management skills.

### Acceptance of International Brotherhood of Electrical Workers (IBEW) Contract:

Mr. Prairie recognized the assistance of Mindy Moore, Human Resources (HR) staff. He stated the majority of contract changes focused on the wage structure. The journeyman structure is now on a tier scale, including four (4) levels of journeymen. Overall wages, benefits, and health insurance came in under a 2.5% increase. Most positions will receive a 2% compensation, with some lead positions receiving 5% compensation. Senior Hydro Mechanic and Senior Meter Technician were created as new positions. Mr. Prairie indicated there was overcompensation for apprentices compared to market so they will not receive the 2% increase but will continue to increase their rates as training occurs. Language was established on living distance requirement related to use of trouble truck and relocation conditions. Insurance premiums increase will be a shared cost.

It was moved by Councilmember Smith, seconded by Councilmember Hally, to approve the Collective Bargaining Agreement with the International Brotherhood of Electrical Workers Local 57 for the 2017-18 bargaining year, and give authorization for the Mayor to execute the document. Roll call as follows: Aye – Councilmembers Radford, Ehardt, Smith, Marohn, Dingman, Hally. Nay – none. Motion carried.

### Discussion Regarding FOP Presentation:

Councilmember Hally believes the new chief should get acquainted with personnel and current issues prior to this discussion. Councilmember Dingman stated she participated on the interview panel for the Police Chief position and indicated the candidates have variety of backgrounds, some having similar experiences with the current issues. She

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believes it would be ideal to have a new chief in place who would work with the employees prior to any Union moving forward. She stated the request, on behalf of the FOP, is to be placed on an agenda to discuss being recognized as a union within the next 2-3 weeks if possible. Per Councilmember Dingman's conversation with Dustin Howell, vice-president of the FOP, Mr. Howell indicated the FOP would like to present the concept, the research that has been conducted, and to communicate with the Council in a presentation format. There would be no expectation of action or decision, this would be a presentation only. Director Tew stated although he's interested in hearing from the FOP he would recommend to wait for a new chief as he believes it doesn't make sense to have a presentation now. Councilmember Dingman indicated other presentations, such as the School District or Airshow Board, have occurred without hesitation. Mayor Casper believes this is a matter of precedence and procedure. She stated presentations have occurred to further a City purpose or further the work of a department(s). She believes in this case, action is only being heard through media. She prefers to continue the current process of presentation through a Department Director or the Council President with the agenda setting determined by the mayor. Mayor Casper stated her commitment and obligation is for robust discussion of any request if that is the will of council but believes all bases (legal, HR, community) need to be covered. Brief discussion followed regarding a timeframe for a FOP discussion. Director Tew stated part of his duties include making the City an attractive place for a new Police Chief. He believes input from police officers makes sense although he reiterated the timing is not appropriate. Councilmember Dingman also believes input should be allowed but is not suggesting any decision or action from Council should occur until after the chief is hired. She reiterated this is a presentation only. Councilmember Smith stated it is not the Councils job to micromanage, Councils job is to set policy. He believes any employees should go through the proper channels first, including the Department Director, Human Resources, and then the Mayor. Councilmember Dingman indicated the FOP requested presentation through the Police Chief and was declined. Director Tew and Mayor Casper stated they were not approached by the FOP. Councilmember Marohn believes the Council is willing to listen to the proposal but he also believes the new chief needs to be involved. He stated the FOP does not have a legal binding organization within the City and the new chief should assist with the direction of the Police Department, whether or not unionization is involved. Mayor Casper recommended any pressing issues from the FOP be distributed to Council in written form as soon as possible. She also recommended two (2) Councilmembers with opposing views develop a presentation format. After further brief discussion, it was consensus of the Council that Councilmember Dingman will meet with Mayor Casper to establish a timeframe to proceed forward. Mayor Casper suggested any communication from the Council be submitted to herself or Councilmember Dingman.

There being no further business, it was moved by Councilmember Radford, seconded by Councilmember Marohn, to adjourn the meeting at 5:37 p.m. and move into Executive Session. The Executive Session has been called pursuant to the provisions of Idaho Code Section 74-206(1)(c) To conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency. At the conclusion of the Executive Session Councilmembers will not reconvene to Regular Work Session. The Executive Session will be held in the City Hall Annex Conference Room. Roll call as follows: Aye – Councilmembers Hally, Smith, Dingman, Ehardt, Marohn, Radford. Nay – none. Motion carried.

The City Council of the City of Idaho Falls met in Special Council Meeting (Executive Session), Monday, May 8, 2017, in the City Annex Conference Room in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 5:43 p.m.

There were present:

Mayor Rebecca L. Noah Casper  
Councilmember Ed Marohn  
Councilmember Thomas Hally  
Councilmember David M. Smith  
Councilmember John B. Radford  
Councilmember Barbara Ehardt  
Councilmember Michelle Ziel-Dingman

Also present:

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Greg Weitzel, Parks and Recreation Director  
Randy Fife, City Attorney

The Executive Session has been called pursuant to the provisions of Idaho Code Section 74-206(1)(c) To conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency.

There being no further business, the meeting adjourned at 5:58 p.m.

s/ Kathy Hampton  
CITY CLERK

s/ Rebecca L. Noah Casper  
MAYOR